



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

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First District

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Second District

ZEV YAROSLAVSKY
Third District

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MICHAEL D. ANTONOVICH
Fifth District

March 22, 2006

To: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: David E. Janssen
Chief Administrative Officer

SACRAMENTO UPDATE

Pursuit of County Position on Legislation

AB 1634 (McCarthy), as amended on March 7, 2006, would appropriate funds for State and local costs incurred for the special statewide election held in November 2005. The bill would provide \$9 million for State costs and \$27.8 million for counties. This bill has an immediate effective date.

The Registrar-Recorder/County Clerk recommends that the County support AB 1634 because it would provide the County with a favorable fiscal outcome, and we concur. Support for AB 1634 is consistent with Board policy to support proposals to provide County reimbursement for the costs incurred in conducting special elections. **Therefore, our Sacramento advocates will support AB 1634.** The bill has been referred to the Assembly Committee on Elections and Redistricting. At this time, there is no hearing date, or known support or opposition.

AB 2951 (Goldberg), as introduced on February 24, 2006, would change the way public utilities charge public agencies for capital costs. This bill is similar to County-opposed AB 1051 (Goldberg) from 2003 which was sponsored by the Los Angeles Department of Water and Power (LADWP) and other public utilities. Governor Davis vetoed AB 1051 because of concerns that the measure would have a "...potentially significant fiscal impact on public entities and state agencies...."

Under current law, Government Code Section 54999, certain fees charged to public agencies, such as the County, by public utilities, such as the Los Angeles Department of Water and Power (LADWP), must be "nondiscriminatory." This means that LADWP is only allowed to charge the County its pro-rata share of LADWP capital costs based on the County's power usage.

AB 2951 effectively seeks to eliminate the "nondiscriminatory" rate requirement of Section 54999. It would thus relieve LADWP of its current legal duty to charge the County only its pro-rata share of LADWP capital costs. According to County Counsel, the County has a lawsuit pending against LADWP which alleges that LADWP has overcharged the County for electricity by violating the nondiscriminatory rate requirement of Government Code Section 54999. Similar to AB 1051, AB 2951 does not specifically state whether it is intended to apply retroactively which could weaken the County's claims against LADWP. In 2003, LADWP argued that AB 1051 would retroactively validate its past electricity charges.

County Counsel recommends that AB 2951 be opposed unless amended to explicitly provide that it has no retroactive effect, as well as to keep intact the existing "nondiscriminatory" requirement relating to capital facility fees, and we concur. Opposition to AB 2951, unless amended, is consistent with prior opposition to AB 1051, and the Board's direction to pursue a lawsuit against LADWP. **Therefore, our Sacramento advocates will oppose AB 2951, unless amended.** AB 2951 has been referred to the Assembly Committee on Local Government and may be heard after March 27, 2006.

SB 1773 (Alarcon), as introduced on February 24, 2006, would augment the Emergency Medical Services Fund by authorizing counties to collect an additional \$2 penalty assessment on every \$10 penalty for all criminal offenses and moving violations. It would allow county boards of supervisors, by resolution, to levy the additional \$2 penalty assessment for specified crimes and moving violations, including speeding, seat belt infractions, domestic violence and DUI's, but only if the increased penalties do not offset or reduce the funding of other programs. Counties that maintain pediatric trauma centers would be required to allocate 15 percent of these new funds to all such centers throughout the county. Counties without pediatric trauma centers would be required to use the new funds to improve access to pediatric trauma and emergency services in the county. SB 1773 would allow 10 percent of the funds to be used for administration. The provisions of this bill would remain in effect until January 1, 2009. According to the author's staff, SB 1773 would increase funding for emergency and trauma care services statewide by up to \$100 million annually.

Because SB 1773 would increase funding for emergency and trauma care services in Los Angeles County, the Department of Health Services recommends that the County support the measure, and we concur. SB 1773 is similar to County-supported SB 57 (Alarcon) which was vetoed by the Governor on October 7, 2005. In his veto message

the Governor asserted that SB 57 would have had the effect of reducing funding to other existing programs. Consistent with current Board policy to support proposals to provide permanent, stable funding for the County's public and private emergency and trauma care system, and prior County support for SB 57, **our Sacramento advocates will support SB 1773.**

There is not yet any registered support or opposition for SB 1773. SB 1773 was referred to the Senate Health and Public Safety Committees and may be heard on or after March 28, 2006.

We will continue to keep you advised.

DEJ:GK
MAL:JF:MS:hg

c: Executive Officer, Board of Supervisors
County Counsel
Local 660
All Department Heads
Legislative Strategist
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants